Canadian Radio-television and Telecommunications Commission

2011–2012

Report on Plans and Priorities

The Honourable James Moore, P.C., M.P.
Minister of Canadian Heritage and Official Languages

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Minister's Message

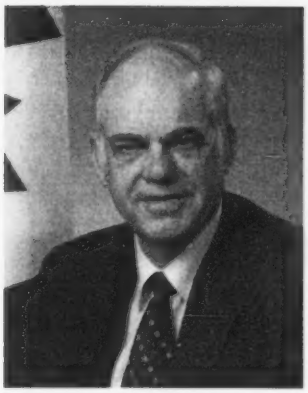
The organizations in the Canadian Heritage portfolio work closely with partners all across the country to fulfill their mandate and achieve the Government of Canada's objectives regarding arts, culture, heritage, and citizen participation. I am pleased to present the 2011–2012 *Report on Plans and Priorities* prepared by the Canadian Radio-television and Telecommunications Commission (CRTC).

Canadians are embracing digital technologies, which are giving them more opportunities than ever before to enjoy television and radio programming and to communicate with one another. The CRTC is charged with regulating two industries—broadcasting and telecommunications—that are being taken in new and exciting directions. In the coming year, the CRTC will provide large ownership groups with more flexibility to create high-quality Canadian television programs and broadcast them on the platform of their choice.

The CRTC will also work closely with conventional broadcasters as they undertake their final preparations for the switch to digital television. The CRTC has put in place measures to ensure that viewers do not lose access to the over-the-air signals of their local television stations. In addition, the CRTC will implement its decision on the basic services that telecommunications companies must offer to Canadians.

I am proud that the CRTC is committed to pursuing its efforts to improve Canadians' quality of life and increase our country's cultural, social, and economic vitality. I invite everyone who wishes to have a better understanding of the responsibilities and activities of the CRTC to get to know this report.

The Honourable James Moore, P.C., M.P.



Chairman's Message

I am pleased to present the Canadian Radio-television and Telecommunications Commission's (CRTC's) *Report on Plans and Priorities* for 2011–2012. This document details some of the activities the Commission will undertake to ensure its regulatory frameworks encourage consumer choice and promote competition among service providers.

The landscape of the Canadian broadcasting industry has changed significantly in recent years, particularly as a result of ownership consolidation. Given the presence of large, vertically integrated companies, the CRTC will hold a public hearing to review the safeguards it has created to prevent anti-competitive behaviour in the marketplace. We will seek to ensure that negotiations between broadcasting distributors and television programmers are conducted in accordance with good commercial practices.

In March 2010, the CRTC extended the licences of the major public and private television broadcasters for one year. Our next task is to hold proceedings to renew these broadcasters' licences and set programming commitments for the next few years. In particular, we will have an opportunity to discuss with the Canadian Broadcasting Corporation how its television and radio services can encourage and promote Canadian expression in a digital environment.

The CRTC is also committed to ensuring a smooth transition to digital television on August 31, 2011. After listening to the industry's concerns, we determined that local television stations in major centres—as well as those operating on channels 52-69 across the country—will be expected to make the transition. It is imperative that affected consumers are informed of the changes to their television services. The CRTC will ask broadcasters to develop a national education initiative that addresses this need.

During the fall parliamentary session, the government passed Bill C-28, which aims to reduce the volume of unwanted commercial electronic messages and harmful computer programs that Canadians receive. Under the law, the CRTC has obtained important new investigative and enforcement responsibilities to help curb spam. We will continue to make the necessary preparations to enforce this legislation, alongside our partners at Industry Canada, the Competition Bureau and the Office of the Privacy Commissioner.

Finally, the evolution and convergence of the communications industry have forced regulators to re-examine their traditional approaches. The CRTC is committed to meeting this challenge. Where possible, we will streamline rules and explore new regulatory concepts and tools to better serve the interests of Canadians. We also look forward to supporting the government's forthcoming strategy for the digital economy.

Konrad von Finckenstein, Q.C.

Chairman

Section I: Departmental Overview

Raison d'être

The Canadian Radio-television and Telecommunications Commission (CRTC) is an independent public authority that regulates and supervises the Canadian broadcasting and telecommunications systems in the public interest, according to the policy objectives established in the *Broadcasting Act* of 1991 and the *Telecommunications Act* of 1993.

The CRTC seeks to balance the needs of Canadians and those of the communications industry. Through its regulatory function, the CRTC addresses various economic, social and cultural issues related to the communications industry. Some examples include fostering:

- a competitive marketplace in which Canadian communications enterprises create jobs and value for Canadians
- Canada's linguistic duality and cultural diversity
- enhanced accessibility for people with disabilities, such as closed captioning for the hearing impaired and described video for the visually impaired, and
- the development of mechanisms to address concerns, such as abusive comments or violence in the broadcast media, or excessive rates for telephone services.

Responsibilities

The CRTC exists under the authority of the *Canadian Radio-television and Telecommunications Commission Act* of 1985. The CRTC's mandate is governed by the *Broadcasting Act* of 1991 and the *Telecommunications Act* of 1993.

The *Broadcasting Act* seeks to ensure that Canadians have access to a wide variety of high-quality Canadian programming. The *Telecommunications Act* seeks to ensure that Canadians have access to reliable, high-quality telephone and telecommunications services at affordable prices.

The CRTC fulfills its responsibilities through a number of interrelated activities such as:

- consulting and informing Canadians through its website and public processes
- issuing, renewing and amending licences for broadcasting undertakings
- making determinations on mergers, acquisitions and changes of ownership
- approving tariffs and certain agreements for the telecommunications industry
- monitoring and removing obstacles to competition
- resolving competitive disputes
- researching, developing and implementing regulatory policies
- monitoring, assessing and reviewing the programming and financial obligations of broadcasting undertakings, and
- administering the National Do Not Call List and enforcing the related rules.

The CRTC works diligently to ensure the communications sector is regulated fairly, effectively and efficiently, and in a manner that fosters increased reliance on market forces. It endeavours to keep its regulatory policies current by taking into account emerging technologies and market developments, as well as evolving consumer interests.

In addition, the CRTC's activities are guided by the following four principles: timeliness, transparency, fairness and predictability.

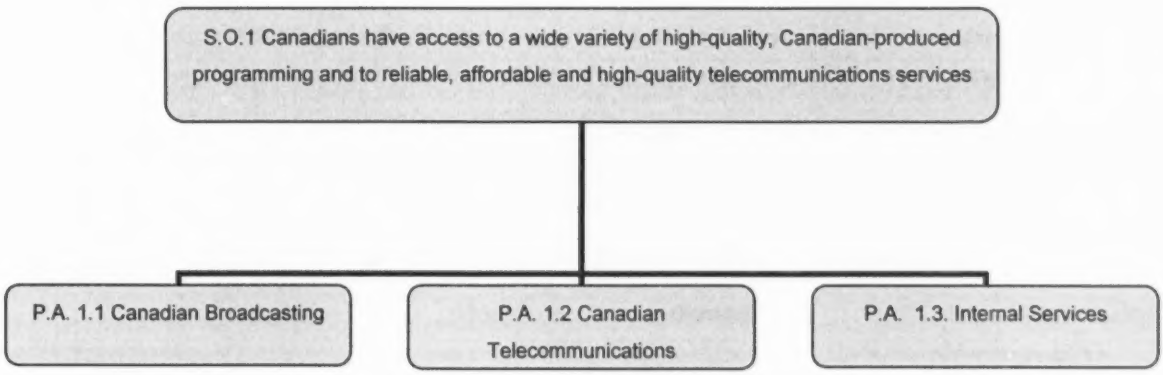
As a federal organization, the CRTC reports to Parliament through the Minister of Canadian Heritage and Official Languages. The CRTC is listed in Schedule 1.1 of the *Financial Administration Act*. Its budget and employees are subject to Government of Canada policies and guidelines, which ensure excellence and accountability to Canadians.

Contribution to the Federal Sustainable Development Strategy

On October 6, 2010, the Minister of the Environment introduced the Federal Sustainable Development Strategy to improve environmental sustainability. The strategy aims to:

- provide an integrated picture of government actions and concrete results to achieve environmental sustainability
- establish a clear link between sustainable development planning and reporting and the government's core expenditure planning and reporting systems, and
- set the stage for effective measurement, monitoring and reporting.

Strategic Outcome and Program Activity Architecture


S.O.1 Canadians have access to a wide variety of high-quality, Canadian-produced programming and to reliable, affordable and high-quality telecommunications services
P.A. 1.1 Canadian Broadcasting
P.A. 1.2 Canadian Telecommunications
P.A. 1.3. Internal Services

Tag Legend:

Theme I: Addressing Climate Change and Air Quality

Theme II: Maintaining Water Quality and Availability

Theme III: Protecting Nature

Theme IV: Shrinking the Environmental Footprint – Beginning with Government

During 2011–2012, the CRTC will focus its efforts on ensuring that Canadians have access to a wide variety of high-quality, Canadian-produced programming and to reliable, affordable and high-quality telecommunication services.

Three program activities contribute to this strategic outcome:

- Canadian Broadcasting, which deals specifically with activities and priorities of the broadcasting system
- Canadian Telecommunications, which deals with activities and priorities of the telecommunications sector, and
- Internal Services, which includes: legal services, communications, planning and process, financial and administrative services, information management and technology, and human resources.

Planning Summary

Financial Resources[1] ($ millions)

2011–12	2012–13	2013–14
53.8	53.3	53.1

Human Resources[1] (Full-time Equivalent—FTE)

2011–12	2012–13	2013–14
448	448	448

These forecasted totals exclude financial and human resources related to the National Do Not Call List activities given that at the time of finalizing this report, no funding had been identified after March 31, 2011. The CRTC, Industry Canada and the central

[1] Financial and human resources amounts include those related to Bill C-28 *Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities* that was given Royal Assent on December 15, 2010.

agencies are working together to explore long-term funding solutions starting on April 1, 2011.

Strategic Outcome: Canadians have access to a wide variety of high-quality, Canadian-produced programming and to reliable, affordable, and high-quality telecommunications services	
Performance Indicators	**Targets**
1. Percentage of Canadian content broadcast by Canadian radio and television services 2. Percentage increase in rates for telephone service 3. Percentage of Canadians with access to landline and mobile telephone services	1. Canadian-produced programming must account for at least 35% of popular musical selections on radio and 55% of programming on conventional television. 2. The increase in rates for telephone services remains below the rate of inflation. 3. More than 98% of Canadians have access to landline and mobile telephone services.

Program Activity	**Forecast Spending**	**Planned Spending ($ millions)**			**Alignment to Government of Canada Outcomes**
	2010–11	**2011–12**	**2012–13**	**2013–14**	
Canadian Broadcasting	17.8	17.6	17.6	17.6	A vibrant Canadian culture and heritage
Canadian Telecommunications	17.0	18.0	17.8	17.6	A fair competitive marketplace
Internal Services	18.4	18.2	17.9	17.9	
Total Planned Spending	53.2	53.8	53.3	53.1	

Description of Internal Services:

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Material Services; Acquisition Services; and Travel and Other Administrative Services. Internal Services include those activities and resources that apply across an organization.

This reporting of Internal Services is in accordance with the Treasury Board of Canada Secretariat's "Revised Profile of the Government of Canada's Internal Services" Information Bulletin for all organizations subject to the Management, Resources and Results Structures Policy.

Contribution of Priorities to Strategic Outcome

Program Activity 1.1: Canadian Broadcasting			
Operational Priorities	**Type**	**Link to Strategic Outcome**	**Description**
Television licence renewals based on ownership groups	New	The CRTC will ensure that Canadians continue to have access to a wide variety of Canadian-produced television programming from the private commercial sector.	The Commission will hold public hearings to consider licence-renewal applications for private conventional, pay and specialty television ownership groups.
CBC licence renewals (radio and television)	New	The CRTC will ensure that the CBC continues to satisfy the obligations and special policy objectives described in the *Broadcasting Act* for Canada's national public broadcaster.	The Commission will hold a public hearing to consider the licence renewals of the CBC English- and French-language radio and television services.
Review of the regulatory framework relating to vertical integration	New	The CRTC maintains a diversity of voices in the Canadian broadcasting system.	The Commission will examine issues related to the ownership of distribution, programming and production properties by a single entity.
Transition from analog to digital television	Ongoing	The transition to digital television will provide significant benefits to Canadians. Viewers will have access to better picture and sound quality, including high-definition programming. The transition will also allow for multiple services to be combined into a single signal, Additionally, spectrum will be made available for public safety uses and to encourage greater wireless competition and innovation.	By August 31, 2011, television broadcasters in provincial, territorial and national capitals, as well as in markets with a population greater than 300,000, are expected to transition from analog to digital television. The CRTC will require broadcasters to develop consumer education initiatives pertaining to this transition.
Regulatory approach in the digital economy	New	Canada's participation in the digital economy will ensure greater choice for consumers, improved productivity for businesses, and international competitiveness.	The CRTC will continue to build an understanding of the national and global implications of convergence on both Canada's broadcasting and telecommunications industries. The CRTC will evaluate the appropriateness of regulatory tools for this environment. The CRTC will release an evidence-based report, *Navigating Convergence II*, which will describe the challenges and opportunities for the current regulatory framework.
Shift to greater co-regulation	New	Co-regulation facilitates industry engagement and collaboration on key consumer needs and concerns. It also reduces the need for strict regulatory intervention on the part of the Commission.	The Commission will implement its determinations regarding the review of the consumer agency known as the Commissioner for Complaints for Telecommunications Services. The CRTC will conduct further research and consultation with the aim of developing an approach that will enable the creation of any codes and standards deemed necessary.

Program Activity 1.2: Canadian Telecommunications			
Operational Priorities	**Type**	**Link to Strategic Outcome**	**Description**
Anti-spam legislation	New	The implementation of the CRTC's responsibilities under the anti-spam legislation will reduce the volume of unwanted commercial electronic messages and harmful computer programs that Canadians receive, thereby ensuring access to more reliable telecommunications services and increasing confidence in electronic commerce.	Under the legislation, the CRTC has obtained new investigative and enforcement responsibilities and powers to counter spam and malware. The CRTC will develop investigation and enforcement processes, systems and tools, and begin enforcing anti-spam rules.
Follow-up to the "obligation-to-serve" proceeding	New	The Commission's decision may affect the provision of basic telecommunications service, including the establishment of targets for the deployment of broadband Internet in Canada, as well as competition in the small incumbent telephone companies' markets.	In fall 2010, the Commission held a public proceeding to review issues associated with the provision of basic telecommunications services in all regions of Canada and the mechanisms used to subsidize services in high-cost areas. The Commission will review applications that affect competition in various regions of Canada in light of its decision.
Review of the network interconnection regime	New	This review aims to ensure the deployment of modern and efficient telecommunications networks across Canada.	Interconnection of telephone networks is required so that customers of various service providers can communicate among each other. As a result of profound changes in the industry, such as the evolution towards Internet-based networks, the Commission will launch a comprehensive review of the network interconnection regime.

Program Activity 1.3: Internal Services			
Management Priorities	**Type**	**Link to Strategic Outcome**	**Description**
A streamlined regulatory approach	Ongoing	The new converged *Rules of Practice and Procedure* will bring broadcasting and telecommunications procedures into greater harmony and encourage Canadians' participation in the CRTC's public proceedings. They will also enable the Commission to be more transparent and better adapted to new technologies.	The CRTC will adopt new streamlined and converged rules of procedure, which will take effect on April 1, 2011. Internal processes will continue to be adapted to the new converged rules. These changes will help the CRTC meet the needs of a converging and increasingly competitive market.
Evaluations and audits follow-up	Ongoing	The CRTC is committed to improving its management practices to better serve Canadians.	CRTC management will continue to address the recommendations provided in an internal audit undertaken in 2010, which reviewed and assessed the

			effectiveness and efficiency of regulatory processes, management practices, and systems and procedures. As it addresses the audit recommendations, CRTC management will also respond to a number of areas identified as requiring attention in the evaluation conducted under the Management Accountability Framework
An improved organization	Previously committed to	The CRTC is committed to improving the management of its resources to better serve Canadians.	The CRTC will continue to implement Public Service Renewal initiatives such as: • a review to modernize internal processes and eliminate duplication • talent management for employees • continuity plans for key positions • an in-house Leadership Development Program, and • an in-house training program for employees to enhance their knowledge about the CRTC and the industries it regulates.

Risk Analysis

In planning its activities for 2011–2012, the CRTC recognizes that its ability to achieve expected results depends on many factors, some of which are beyond its control. The CRTC can count on its strengths, but it also faces a number of challenges and threats. For example, in a rapidly transforming global communications environment, the CRTC must keep abreast of new developments and adapt quickly. This frenetic pace can stretch resource.

Below are lists of the CRTC's principal strengths and opportunities, and the challenges and threats it expects to face in the next three years.

Strengths and opportunities

- Changes in technology and the industry give the Canadian communications sector an opportunity to produce high-quality Canadian content and develop next-generation infrastructure.
- As the broadcasting industry makes the transition to digital, Canadians will have access to a wider choice of technologically superior television and radio programming.
- Through the Local Programming Improvement Fund, television stations in Canada's non-metropolitan markets have access to funds that help maintain and improve the quality of local programming.
- The CRTC's new policies for community television and campus and community radio provide Canadians with opportunities to access the broadcasting system and enhance programming diversity. These policies make strong contributions to the achievement of the objectives established in the *Broadcasting Act*.

- Recent improvements to the 911 system have increased safety for Canadians across Canada.
- As broadcasting and telecommunications-industry stakeholders implement the requirements of the new accessibility policy, many opportunities will arise to improve services for Canadians with disabilities.
- Existing Memoranda of Understanding between the CRTC and other governmental departments will help eliminate duplication and promote information-sharing between departments.
- The CRTC's converged *Rules of Practice and Procedure* create opportunities for increased organizational responsiveness.
- The CRTC has asked the Federal Court of Appeal to review whether it has the jurisdiction to implement a regime for negotiated value for signal. The Court's decision will provide clarity regarding the Commission's legal authority under the *Broadcasting Act*.
- The CRTC is forging meaningful relationships with Canadian and international regulators and policy-makers to benefit from best practices.

Challenges and threats

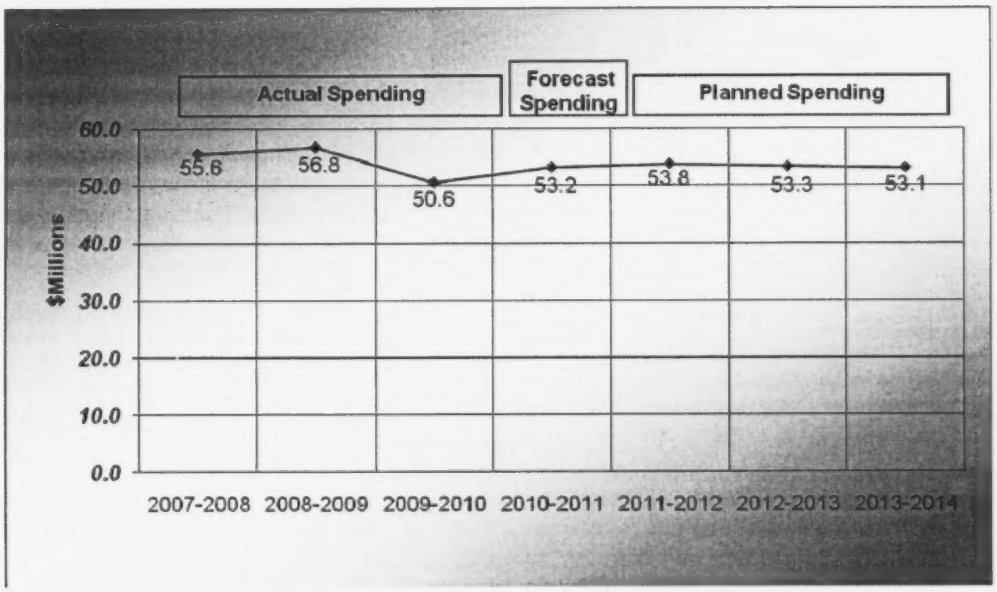
- The business models of conventional television stations that are involved in the production and broadcast of Canadian content are under strain. In addition to pressures created by the current global economic context, broadcasters must deal with factors such as audience fragmentation across regulated and unregulated platforms.
- Ensuring compliance with regulations and conditions of licence is one of the Commission's key challenges. The CRTC must also be responsive to the rapidly changing technological and economic environment and keep pace with change. Additional powers and tools to ensure compliance would enable the CRTC to provide maximum benefit for Canadians.
- Challenges such as public awareness must still be met to ensure a smooth transition to digital television on August, 31, 2011.
- Regulating the converging broadcasting and telecommunications sectors in a manner that fulfills the policy objectives of the *Broadcasting Act* and *Telecommunications Act* poses a growing challenge for the CRTC.
- The CRTC must devote increased resources to perform activities related to the National Do Not Call List (DNCL), including investigation and enforcement. No long-term funding has been identified for these activities. Without additional funding, the CRTC will not be able to discharge its statutory responsibilities with respect to the National DNCL after March 31, 2011.
- New legislation, such as the anti-spam legislation, has given the CRTC new statutory responsibilities and job requirements, which necessitate additional skills and expertise.
- From time to time, the CRTC is called on by the Governor-in-Council to address issues on a priority basis. To respond to these requests, the CRTC needs to reconsider its planned activities. As a result, some elements presented in this report could be postponed or cancelled.
- Nearly 30 percent of the CRTC's workforce is eligible to retire in the next five years.

Expenditure Profile

For 2011–12 fiscal year, the CRTC plans to spend $53.8 million to meet the expected results of its program activities and contribute to its strategic outcome. This amount represents an increase of $0.6 million—approximately 1.1%—compared to 2010–11.

The figure below illustrates the CRTC's spending trend from 2007–08 to 2013–14.

($ millions)



Total spending includes all Parliamentary appropriation and revenue sources: Main Estimates, Supplementary Estimates, Treasury Board Vote transfers and revenues from Part I broadcasting licence fees and telecommunications fees. The figures also include operating budget carry-forward adjustments.

For 2007–08 and 2008–09, the Commission received temporary funding to address increased workload related to its legislative and regulatory responsibilities. Details on the approved increases and the related billing impact for broadcasting and telecommunication industries are noted in Broadcasting Circular CRTC 2007-9 and Telecom Circular CRTC 2007-18, dated December 21, 2007.

The amount for fiscal year 2009–10 includes the Main Estimates and Supplementary Estimate amounts (i.e. authorized budget carry-forward and the temporary funding received for the activities related to the National Do Not Call List).

For 2010–11, the forecasted spending includes the Main Estimates and Supplementary Estimate amounts (i.e. authorized budget carry-forward, the temporary funding received for the activities related to the National Do Not Call List and the funding for the *Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities)*.

For 2011–12 to 2013–14, the total spending corresponds to the planned vote-netted revenues[2], statutory appropriation related to employee benefit plans and budgetary appropriation received for the *Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities.* Supplementary funding, carry-forward adjustments and funding for the National Do Not Call List are unknown at this point and therefore not reflected.

Estimates by Vote

For information on the CRTC's organizational votes and statutory expenditures, please see the 2011–12 Main Estimates publication. An electronic version of the Main Estimates is available at: www.tbs-sct.gc.ca/est-pre/20112012/me-bpd/toc-tdm-eng.asp

[2] The CRTC is funded through fees recovered from the industries it regulates. The Commission has been granted vote-netting authority by Treasury Board and Parliament. Vote-netting is a means of funding selected government programs or activities whereby Parliament authorizes a department or agency to apply revenues towards costs directly incurred for specific activities. The Part I broadcasting licence fees and the telecommunications fees are used to finance the Commission's operating budget. Starting in 2010–11 those activities that are related to the *Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities* will be funded through appropriations and will not be recovered through CRTC fees.

Section II: Analysis of Program Activities by Strategic Outcome

Program Activity by Strategic Outcome

Program Activity 1.1: Canadian Broadcasting					
Human Resources (FTEs) and Planned Spending ($ millions)					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
133	17.6	133	17.6	133	17.6

Program Activity Expected Results	Performance Indicators	Targets
The Canadian broadcasting system consists of a variety of voices that represent Canada's linguistic and cultural diversity.	Levels of Canadian content on television and radio.	Canadian-produced programming should account for at least 35% of popular musical selections on radio and 55%of programming on conventional television.
	The diversity of voices, as measured in the CRTC *Communications Monitoring Report*, for radio and conventional television.	An environment where no single entity controls a predominant share of the audience. The Commission will carefully examine transactions that would result in the control by one person of between 35% and 45% of the total television audience share—including audiences to both discretionary and conventional services.
Canadians continue to have access to the broadcasting system through traditional and new platforms.	Conventional television broadcasters successfully managed transition from analog to digital transmission to ensure access for all Canadians.	All conventional television broadcasters in urban areas have achieved transition from analog to digital transmission. All conventional television broadcasters in non-metropolitan areas have developed alternate solutions in place to ensure access to digital signals.

Planning Highlights: Broadcasting Sector

Implementation of the Broadcasting Distribution Undertaking and Specialty Services Policy

In 2008, the CRTC set out new policies to ensure its regulatory frameworks for cable and satellite companies and specialty and pay television services are appropriate for a multi-platform digital environment. The majority of changes will come into effect on August 31, 2011, a date that coincides with the transition from analog to digital television. The CRTC continues to implement these policies in preparation for the deadline. The updated regulatory framework will ensure that Canadians have access to a greater choice of high-quality Canadian programming.

CBC/SRC Licence Renewals

In 2011–2012, the CRTC will undertake a public process to renew the licences of the Canadian Broadcasting Corporation/Société Radio-Canada's radio and television services for the first time in more than 10 years. The public consultation will allow for a broad discussion on the role of the national public broadcaster in the digital environment.

Accessibility Policy

As television and radio licences are issued and renewed in the next two years, the CRTC will implement the requirements and follow up on the processes established in its regulatory policy on the accessibility of broadcasting and telecommunications services to persons with disabilities. Activities under this program will ensure, for example, improved access for persons with disabilities to described video and closed captioning.

New Policies for Community Television and Community and Campus Radio

In 2010, the CRTC issued new policies for community television and community and campus radio. The CRTC will implement the revised policies through conditions of licence and changes to the *Radio Regulations,* the *Television Broadcasting Regulations* and the *Broadcasting Distribution Regulations*. These policies will ensure that the community-broadcasting sector makes a strong contribution to the achievement of the *Broadcasting Act*'s objectives.

Local Programming Improvement Fund (LPIF)

In 2009–2010, the CRTC established the LPIF to maintain local television programming in non-metropolitan television markets across Canada. In 2011–2012, the CRTC will continue to support the administration of the LPIF by assessing applications for contribution exemptions and funding eligibility.

Monitoring

In 2011–2012, the CRTC will monitor the financial and market performance of the Canadian communications industry and its participants.

In addition, the Commission will oversee the development of reporting requirements for new media broadcasting services. The CRTC will work with the New Media Reporting Working Group to identify appropriate definitions and metrics, which will facilitate the development of standardized criteria and measurement tools by the industry. In its policy for new media broadcasting services, the CRTC recognized that it is necessary to monitor new media broadcasting to gauge its growing importance within the Canadian broadcasting system.

Benefits for Canadians

The broadcasting industry is an essential element of the Canadian economy. It is also a pillar of the cultural, information and entertainment landscapes. Although the global economic downturn put pressure on the industry, Canadians continue to realize important benefits, such as:

- more than 32,700 jobs
- new mechanisms that support local programming
- timely and efficient complaints-resolution mechanisms
- a diversity of voices within the Canadian communications industry
- enhanced access by persons with disabilities to television programming
- better and increased access to television programming in digital and high-definition formats
- a flexible and forward-looking regulatory framework that responds to evolving consumer needs and industry realities, and
- access to high-quality, diverse Canadian programming from the private, public and community elements of the Canadian broadcasting system.

Program Activity 1.2: Canadian Telecommunications					
Human Resources (FTEs) and Planned Spending ($ millions)					
2011–12		**2012–13**		**2013–14**	
FTEs	**Planned Spending**	**FTEs**	**Planned Spending**	**FTEs**	**Planned Spending**
147	18.0	147	17.8	147	17.6

Note: The totals forecasted for 2012–13 and 2013–14 exclude the full-time equivalents related to the activities of the National Do Not Call List given that no funding has been identified after March 31, 2011.

Program Activity Expected Results	Performance Indicators	Targets
Canadians have increased access to service providers that offer reliable telecommunications services at just and reasonable rates.	Percentage of residential phone lines served by competitors of the incumbent telephone companies.	Annual 2% increase
	Percentage of Canadians that subscribe to mobile services.	Annual 2% increase
	Percentage of Canadians that subscribe to broadband Internet services (1.5 Mbps or higher)	Annual 3% increase

Planning Highlights: Telecommunications Sector

National Do Not Call List (DNCL)

In 2008, the CRTC launched the National DNCL to reduce the number of unwanted telemarketing calls and help ensure the privacy of Canadians. In 2011–2012, the CRTC will:

- manage the National DNCL Operator
- submit an annual report to Parliament
- investigate complaints and enforce the Unsolicited Telecommunications Rules, and
- educate consumers and telemarketers about the National DNCL and the associated rules.

Action Plans for Reviewing Regulatory Measures

In 2007–2008, the CRTC established action plans to review existing regulatory measures in light of the government's policy direction to rely as much as possible on market forces. Since then, the Commission has reviewed most of the regulatory measures identified in the action plans.

In 2011–2012, the Commission will launch proceedings to review the remaining measures, which include the network-interconnection regime, consumer billing statements and inside wiring repair.

Accessibility Policy

In 2011–2012, the CRTC will implement the requirements for telecommunications service providers and initiate the follow-up processes established in the regulatory policy concerning the accessibility of broadcasting and telecommunications services. Activities under this program will ensure, among other things, improved access for persons with disabilities to relay services, mobile wireless handsets and customer information and support.

Monitoring Activities

In 2011–2012, the CRTC will monitor the financial and market performance of the Canadian communications industry and its participants, as well as the deployment of broadband facilities and capabilities. The CRTC will assess the extent to which Canadians have access to advanced telecommunications services, particularly mobile broadband services. The CRTC will continue to work with Statistics Canada to streamline data-reporting requirements and procedures. The CRTC will also release its annual *Communications Monitoring Report*.

Dispute Resolution

The CRTC's role in resolving disputes is expected to grow as competition increases in a converged environment with less regulation and greater reliance on market forces. Parties are encouraged to resolve their differences through bilateral negotiations, private third-party mediation or arbitration, or other means. If they are unable to resolve matters independently, parties may approach the CRTC for staff-assisted mediation, final-offer arbitration or expedited hearings. Streamlined dispute-resolution tools contribute to a more effective, predictable and efficient regulatory framework for stakeholders, and improved services to Canadians.

Benefits for Canadians

The CRTC oversees more than 1,000 telecommunications service providers, including wireline and wireless telephone companies. The CRTC is working closely with government and industry to ensure that Canadians fully benefit from the new digital economy.

- Canadians' confidence in electronic commerce and the Internet will increase as a result of the CRTC's enforcement activities under the anti-spam legislation.
- Canadians will continue to enjoy innovative telecommunications services through an efficient interconnection regime and rules mandating access to high-speed Internet networks.
- As the National DNCL enters its third year, efficient investigative and enforcement processes will result in increased compliance with the rules and privacy for Canadians.
- The review of the Commissioner for Complaints for Telecommunications Services will result in more robust industry self-regulation mechanisms in markets that the CRTC no longer regulates.

Program Activity 1.3: Internal Services					
Human Resources (FTEs) and Planned Spending ($ millions)					
2011–12		**2012–13**		**2013–14**	
FTEs	**Planned Spending**	**FTEs**	**Planned Spending**	**FTEs**	**Planned Spending**
168	18.2	168	17.9	168	17.9

Program Activity Expected Results	Performance Indicators	Targets
The CRTC incorporates a new, streamlined regulatory framework and reporting process for industry.	Successful implementation of the converged *Rules of Practice and Procedure*.	Implementation by April 1, 2011, with all internal processes adapted to the new regulations.
The CRTC is an expert, innovative and effective organization.	Successful implementation of the CRTC's continuity plan as part of the Public Service Renewal Action Plan.	Talent development plans are in place for all employees. All leadership positions have been filled.
	The availability and use of the CRTC e-hearing tool.	All public hearing documents are made available electronically to Commissioners and staff.

Planning Highlights: Internal Services

Enhanced Information Technology (IT) Management

The CRTC will continue to harmonize its IT planning process to reduce complexity, promote system integration and optimize service delivery. Through various initiatives, the CRTC will improve its electronic-communication capabilities, implement an integrated case-management system, increase Canadians' access to a broad range of information and update its IT risk-management program and governance model.

Public Service Renewal

Nearly 30 percent of the Commission's workforce is eligible to retire in the next five years. As a result, the CRTC has enacted a three-year strategic human resources plan to recruit, develop and retain employees with the skills, knowledge and expertise necessary to support the CRTC. The Commission will continue with important initiatives such as leadership-development training, job standardization, employee orientation and professional development and training. The CRTC has also launched an intensive review of its internal processes to ensure that they are current and meet the needs of the organization and its stakeholders.

Greening of Public Hearing Processes

The CRTC will continue to offer online access to all files related to public its hearings and all Commission staff will be able to access hearing documents electronically through its new e-hearing tool. It will also adopt a revised method for the secure submission and distribution of official documentation via the CRTC website. Teleconferencing and videoconferencing services are being used extensively for Commission meetings. These initiatives will enable the CRTC to reduce costs and provide faster, more efficient and environmentally responsible services to the public.

The CRTC has adopted these and other initiatives to help minimize costs and reduce its environmental footprint. They are in keeping with the government's cost-containment measures included in Budget 2010 and the Treasury Board of Canada Secretariat's directive on spending for travel, hospitality and conferences.

Benefits for Canadians

The pace of technological change within Canada's communications industry continues to increase rapidly. The CRTC is adapting to this changing environment through the introduction of a number of initiatives including:

- new processes to allow for faster and more efficient access to Commission information
- streamlined and converged rules that will be better adapted to new technologies and an increasingly integrated communications industry.
- improved electronic communications capabilities to allow for better service and access for Canadians, and
- greener practices to reduce costs, enhance effectiveness and reduce environmental impact.

Section III: Supplementary Information

Financial Highlights

Future-oriented Condensed Statement of Operations

The future-oriented financial highlights presented within this *Report on Plans and Priorities* are intended to serve as a general overview of CRTC's financial operations. These future-oriented financial highlights are prepared on an accrual basis to strengthen accountability and improve transparency and financial management.

The future-oriented statement of operation and applicable notes can be found on the CRTC's website.

($ millions)

Condensed Statement of Operations For the Year (ended March 31, 2012)	**Future-oriented 2011–12**
Revenues	
Total Revenues	160.0
Expenses	
Total Expenses	64.3
Net Results of Operations	95.7

Condensed Statement of Financial Position Future-Oriented 2011-2012 For the Year Ended 31 March 2012 ($ million)			
Assets	4.1	**Liabilities**	12.9
		Equity	-8.8
Total Assets	**4.1**	**Total Liabilities and Equity**	**4.1**

Supplementary Information Tables

All electronic Supplementary Information tables found in the 2011–12 *Report on Plans and Priorities* can be found on the Treasury Board of Canada Secretariat's website at http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp

- Sources of Respendable and Non-Respendable Revenue
- User Fees

The future-oriented statement of operation and applicable notes can be found on the CRTC's website.

Section IV: Other Items of Interest

Other items of interest

Canadian Radio-television and Telecommunications Commission
http://www.crtc.gc.ca/eng/home-accueil.htm

A list of CRTC Commissioners and Secretary General
http://www.crtc.gc.ca/eng/about/commissioners.htm

Regional Offices and Documentation Centres
http://www.crtc.gc.ca/eng/offices.htm

The list of statutes and regulations related to the CRTC
http://www.crtc.gc.ca/eng/statutes-lois.htm

CRTC Glossary
http://www.crtc.gc.ca/eng/glossary-glossaire.htm

National Do Not Call List
http://www.crtc.gc.ca/eng/telemarketing.htm